

Date 03/17/08

**Environmental Management Consolidated Business Center (EMCBC)****Subject: EMCBC Financial Management Oversight Procedure**

Implementing Procedures

APPROVED: (Signature on File)

EMCBC Director

ISSUED BY: Office of Financial Management

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**1.0 PURPOSE**

Comply with Chief Financial Officer (CFO) Act, Office of Management and Budget (OMB) Circular A-123, and other financial regulations by maintaining financial management oversight.

**2.0 SCOPE**

This procedure covers financial management oversight activities at EMCBC and its supported offices that are required by the CFO Act, OMB Circular A-123 and other financial regulations. This procedure is designed to ensure that EMCBC oversight activities can withstand an audit by the Office of Inspector General and/or Government Accountability Office.

**3.0 APPLICABILITY**

This procedure applies to EMCBC and its service organizations. A comprehensive list is included in the EMCBC Guide for Financial Management Oversight.

**4.0 REQUIREMENTS & REFERENCES****4.1 Requirement:**

4.1.1 CFO Act, OMB Circular A-123

**4.2 References:**

4.2.1 Headquarters (HQ) Planning Quick Start Guide

<http://www.mbe.doe.gov/progliaison/doeA123/index.htm>

4.2.2 HQ A-123 Quick Start Documenting Guide and Standard Mapping Form

<http://www.mbe.doe.gov/progliaison/doeA123/index.htm>

4.2.3 A-123 Assessment and Reporting Tool (AART)

<http://www.mbe.doe.gov/progliaison/doeA123/index.htm>

## 5.0 DEFINITIONS & ACRONYMS - Not Applicable

## 6.0 RESPONSIBILITIES

- 6.1 EMCBC Director – will ensure effective financial management oversight as defined in the EMCBC Guide for Financial Management Oversight.
- 6.2 EMCBC Assistant Directors – will support effective financial management oversight activities as requested.
- 6.3 EMCBC CFO – will comply with CFO Act requirements and support effective financial management oversight by serving as a member of the A-123 Site Implementation Team.
- 6.4 EMCBC Internal Review Team – accomplish the objectives of effective financial management oversight by performing oversight activities discussed in Section 8.0 below. In addition, the Internal Review Team shall implement the financial management oversight objectives, methods and activities detailed in the EMCBC Guide for Financial Management Oversight.

## 7.0 GENERAL INFORMATION - Not Applicable

## 8.0 PROCEDURES

All staff from the Internal Review Team will perform the following:

- 8.1 Develop an annual A-123 Implementation Plan for each fiscal year. Update the plan as necessary during each fiscal year. Use the Headquarters (HQ) Planning Quick Start Guide, (Reference 4.2.1) and HQ materiality amounts in developing the plan.
- 8.2 Identify and document the processes, risks and associated controls for the financial statement accounts selected for review. Utilize the HQ A-123 Quick Start Documenting Guide and the Standard Mapping Form, (Reference 4.2.2) in documenting key internal control processes, risks and controls.
- 8.3 Utilize the HQ A-123 Quick Start Guides in evaluating, testing, reporting and resolving internal control risks and their associated controls.
- 8.4 Utilize the A-123 Assessment and Reporting Tool (AART), (Reference 4.2.3) to summary A-123 financial management oversight. In addition, use the A-123 Mapping Form, (Reference 4.2.2) for documenting internal control processes, risks and controls.

- 8.5 Coordinate Office of Inspector General (OIG) and Government Accountability Office (GAO) audit activities between the external auditors, HQ, EMCBC management and DOE field management. Keep HQ and EMCBC management informed of all significant audit activities. Track OIG and GAO audit activities and resolution of audit issues using Department of Energy (DOE) Department Audit Report Tracking System (DARTS).
- 8.6 Coordinate Defense Contract Audit Agency (DCAA) audit activities between external auditors and EMCBC management and DOE field management. Request DCAA audits. Resolve any impediments to the DCAA audits. Utilize the DCAA Audit Tracking System to follow-up and resolve outstanding issues.
- 8.7 Ensure contractor invoice reviews are performed. Perform invoice reviews when necessary. Follow-up and resolve any deficiencies.
- 8.8 Implement the activities required in the EMCBC Guide to Financial Management Oversight.

#### 9.0 RECORDS MAINTENANCE

- 9.1 All records shall be maintained and stored according to National Archives Record Schedules.

#### 10.0 FORMS - Not Applicable

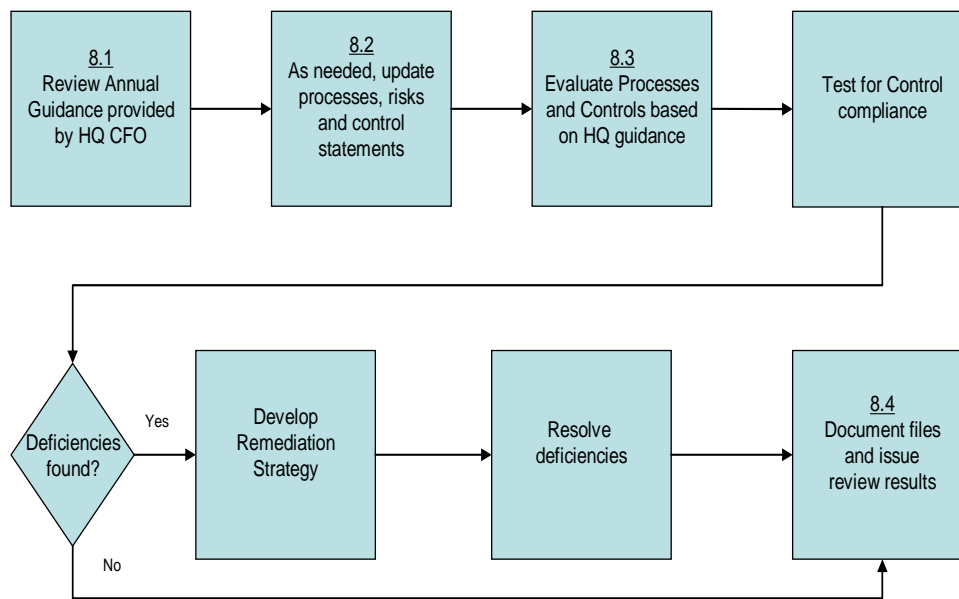
#### 11.0 ATTACHMENTS – Not Applicable

#### 12.0 FLOWCHART – Included

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## Financial Management Oversight Process

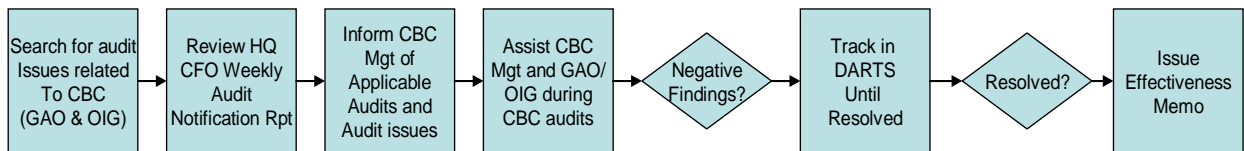
### Financial Assessments & A-123



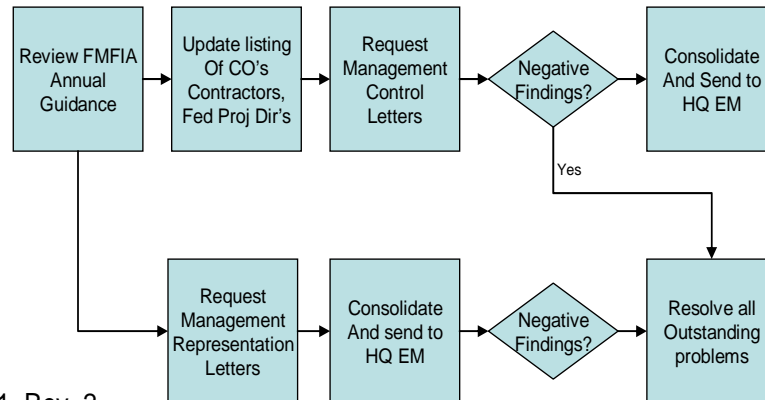
IP-133-01, Rev. 2

## Financial Management Oversight Process 8.5

### OIG & GAO Oversight

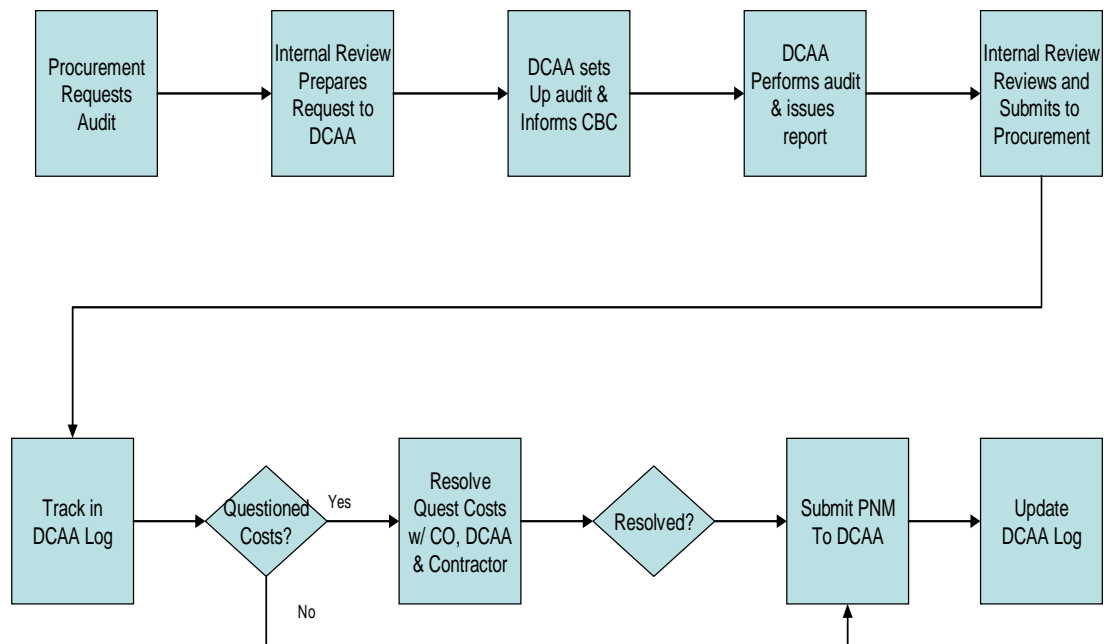


### FMFIA Oversight



## Financial Management Oversight Process 8.6

### DCAA Coordination



IP-133-01, Rev. 2

**EMCBC RECORD OF REVISION****DOCUMENT**

If there are changes to the controlled document, the revision number increases by one. Indicate changes by one of the following:

- 1 Placing a vertical black line in the margin adjacent to sentence or paragraph that was revised.
- 1 Placing the words GENERAL REVISION at the beginning of the text.

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<b>Rev. No.</b>	<b>Description of Changes</b>	<b>Revision on Pages</b>	<b>Date</b>
1	New Document	All	06/07/06
2	Remove Attachment A, "EMCBC Guide to Financial Management Oversight, January, 2006	Pgs. 1, 2, 3	09/04/07
3	Included Flowchart	4	03/17/08

PROCEDURE CHANGE REQUEST							
<p>DATE: <u>March 17, 2008</u></p> <p>INITIATOR: <u>Brent Johansen</u></p> <p>INITIATOR PHONE NUMBER: <u>246-0493</u></p> <p>DOCUMENT AFFECTED: <u>IP-133-01, Rev. 2</u></p> <p style="text-align: center;">SECTION: _____ PARAGRAPH #: _____</p> <p style="text-align: center;">IP NUMBER : _____ PARAGRAPH #: _____</p> <p style="text-align: center;">NEW IP: _____</p> <p>PROPOSED REVISION: <u>Revise Procedure - Page change to include flowchart.</u></p> <p>_____</p> <p>_____</p> <p>JUSTIFICATION: _____</p> <p>_____</p> <p>_____</p> <p>_____</p> <table style="width: 100%; border: none;"><tr><td style="width: 50%; vertical-align: top;">Requested by: <u>Brent Johansen</u></td><td style="width: 50%; vertical-align: top;">DATE: _____</td></tr><tr><td style="vertical-align: top;">Approval: _____ Associate Director</td><td style="vertical-align: top;">DATE: _____</td></tr><tr><td style="vertical-align: top;">Assigned to: <u>Brent Johansen</u></td><td style="vertical-align: top;">DUE DATE: _____</td></tr></table>		Requested by: <u>Brent Johansen</u>	DATE: _____	Approval: _____ Associate Director	DATE: _____	Assigned to: <u>Brent Johansen</u>	DUE DATE: _____
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Approval: _____ Associate Director	DATE: _____						
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Document Review Record Sheet				
Document Title	EMCBC Financial Management Oversight Procedure			
IP Number IP-133-01	Revision No. 2	Date Issued for Review		
The subject document is being submitted for your review, approval or comments. Since this review is controlled, a response is required from all reviewers. Therefore, please return the review sheet with or without comments				
To: Dawn Platt	Extension: 60471	By:		
Additional Instructions:				
Reviewer	Approve	Approve w/Comments	Do Not Approve	Signature of Reviewer
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Comments may be attached to a separate sheet of paper				
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<b>APPROVE w/comments:</b> Signifies the reviewer's overall acceptance of the document regarding concept, practice, implementation, provisions and assigned responsibilities. However, the reviewer has suggestions as to the organization of its contents or helpful additions and/or deletions. These comments are termed "non-mandatory comments" and do not require formal resolution between the reviewer and preparer.				
<b>DO NOT APPROVE:</b> Signifies that the reviewer has identified significant problems regarding concept, practice, implementation or responsibilities that render the document unacceptable and/or not in conformance with stated requirements. Such problem areas must be clearly identified by the reviewer. It is mandatory for the preparer to resolve these comments with the reviewer, document the resolution and obtain the reviewers concurrence for the resolution. The reviewer's written concurrence with the resultant change in disposition shall be documented on this form.				
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When review is delegated, the designated reviewer shall review and indicate concurrence with the designee's review comments and recommend disposition:				
Designated Reviewer	Concur	Do Not Concur	Signature	Date